PUBLIC SERVICE COMMISSION STATE OF NORTH DAKOTA

NEWS RELEASE Monday, January 31, 2005 Commissioners Clark, Cramer, and Wefald **For Immediate Release**
Phone 701-328-2400

Xcel Gas Rate Public Meetings Scheduled

The North Dakota Public Service Commission (PSC) encourages natural gas customers of Xcel Energy to participate in public meetings on an Xcel proposal to increase natural gas rates. The meeting will be held Monday, February 7 in three different locations in the state via interactive video from 7:00-9:00 p.m. (Central Time).

Xcel customers who come to the meeting will have a chance to learn more about the case, and offer comments to the Commission about the proposed increases.

"With the extreme volatility of the commodity price of gas, it is critical that we get all of the input we can on this case," said Commissioner Kevin Cramer. "We want to hear directly from consumers on what impact the increases being proposed by the company will have."

"This is an important case, and I hope that people will come and share their thoughts on the proposed increases. A major issue in this case is that Xcel proposes to allocate most of the \$1,280,232 increase to residential customers," stated Commissioner Susan Wefald.

"The meetings are an informal way for consumers to learn more about the new rates Xcel has proposed," said Commissioner Tony Clark. "Consumer input helps us know what questions North Dakotans want answered about this case."

Xcel is proposing an annual net revenue increase of \$1,280,232. Xcel proposes to change natural gas rates for residential customers by increasing the Basic Service Charge per month from \$5.50 to \$8.50 and by decreasing the Distribution Charge per therm from \$0.12480 to \$0.12388. Xcel proposes to increase natural gas rates to small interruptible customers by increasing the Distribution Charge per therm from \$0.07310 to \$0.07740. Xcel proposes to increase natural gas rates to large interruptible customers by increasing the Distribution Charge per therm from \$0.04390 to \$0.04632. Xcel proposes to change natural gas rates to commercial and industrial service customers by changing the Basic Service Charge per month from \$14.00 to \$20.00 and changing the Distribution Charge per therm from \$0.11280 to \$0.10120. Residential, commercial, and industrial customers will be able to determine whether their bill will change by reviewing their gas usage throughout the year.

Xcel anticipates that an average residential customer bill will increase by \$2-\$3 per month. Xcel further proposes for residential customers a rate element that would slightly raise prices in warm months and slightly decrease prices in cold months. This rate element would help to weathernormalize the recovery of distribution costs.

Xcel's proposed rate changes would not affect the cost of purchased gas, which is separately recovered through the Cost of Gas billing provision.

Xcel last sought an increase in natural gas rates in 2000, which was granted in 2001.

The Public Input sessions will be held at the following locations:

North Dakota State University E. Morrow Lebedeff, Room 183 Fargo ND

University of North Dakota Gamble Hall, Room 120 Grand Forks ND

Bismarck Veterans Memorial Public Library 515 North 5th Street, Lower Level Bismarck ND

The public can access the broadcast by visiting the Commission's website, www.psc.state.nd.us and clicking on "Media", then "What's New" or "Commission Live." Look for "Public Input Sessions & Broadcast of Public Input Sessions over IVN". For more information call 701-328-2400 or write to 600 E. Boulevard Ave., Dept. 408, Bismarck, ND 58505-0480.